## EMBASSY OF THE UNITED STATES OF AMERICA

**PUBLIC AFFAIRS SECTION** 

Tel: 8802-55662000

FAX: 880-2-9881677, 9885688 E-MAIL: <u>DhakaPA@state.gov</u>

WEBSITE: <a href="http://dhaka.usembassy.gov">http://dhaka.usembassy.gov</a>



## REMARKS BY U.S. AMBASSADOR MARCIA BERNICAT AT THE BGMEA EXPO

Radisson Hotel, Chittagong Thursday, August 6, 2015

Honorable Commerce Minister Tofail Ahmed,

BGMEA President Atiqul Islam,

Members of the BGMEA Board,

Other distinguished guests.

Thank you to the BGMEA for inviting me to join you today. The readymade garment sector, represented by the factory owners as well as the men and especially the women working in this sector, has been the engine behind the remarkable story of Bangladesh's economic growth. The United States is the largest single consumer buying Bangladeshi garments (\$5 billion last year). The U.S. is here today because we absolutely want to continue this partnership and help BGMEA reach its goal of exporting \$50 billion by 2021.

This is an ambitious, but very possible goal. But we also know that certain things must occur for it to happen.

This expo is visible evidence of the RMG industry's commitment to improving and developing itself and thereby contributing to the ongoing development of Bangladesh. I look forward to speaking later about the question of the future of the Bangladesh brand, but right now I want to talk briefly about the past and the present.

The U.S. Government has worked closely -- and proudly -with the Bangladesh Government, brands, factory owners, and unions to strengthen workers' safety and labor rights, and to foster a stronger industry.

A lot of progress has been made over the past two years. The Bangladesh Government has registered more than 250 new unions, created a public online database of inspected factories, and trained over 100 new labor inspectors.

More than 2,000 factories have been inspected for electrical, fire and structural conditions by the Bangladesh Government, the Alliance and the Accord.

The Alliance, Accord and Bangladesh Government have outlined corrective action plans for the factories including the National Tripartite Plan of Action on Fire Safety and Structural Integrity. These are significant achievements.

But now the really hard work remains to be done, in particular in the area of labor rights. Worldwide, the garment industry is a highly competitive business and you RMG manufacturers know better than any of us the need to evolve rapidly in order to remain viable.

Your most important asset is your employees. They want and need your business to succeed as much as you do.

We know that empowered workers – in other words, employees who can work in safety and who can voice their concerns and organize without fear of reprisal – are more productive. And increased productivity is good for business.

This is why the U.S. Government through USAID/Bangladesh launched its \$5 million Worker's Empowerment Program (WEP) to support independent labor organizing efforts and improve workers' living conditions in their communities.

The United States Government will work with two Bangladeshi banks to fund a \$22 million credit guarantee to facilitate loans from those banks to you for safety improvements in your readymade garment factories.

The U.S. has been working to improve labor conditions and support freedom of association in Bangladesh since before the Tazreen Fashions and Rana Plaza disasters. Through grants to the Solidarity Center, USAID provided training to approximately 11,000 RMG union leaders and members—more than half of whom were women—on collective bargaining, union leadership, industrial dispute resolution, media and organizational democracy.

Finally, USAID, the Swedish International Development Agency and Walmart established an Environment, Health and Safety (EHS) Center at North South University, which has to date trained 176 mid-level managers (145 male and 31 female) on various environment, health and safety topics such as hazard recognition, electrical safety, fire prevention, and safety inspections.

The U.S. and other governments, along with the brands, are playing a valuable role to strengthen the RMG sector; and we intend to stay engaged.

In the end, though, it is you who need to make the choice about whether you want an industry that fully meets international standards and whether you are ready to make the courageous and responsible choices that are needed for the industry to evolve and continue to thrive.

Together with you, the other international partners and the brands, I am confident we are building a better and more productive RMG sector and demonstrating to the world that business success goes hand-in-hand with workers' rights and safety.

Thank you again for the opportunity to speak to you today. I wish you success in this conference and in the continued growth of Bangladesh's RMG industry.

=========

\*As prepared for delivery